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Master's thesis
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Abstract

The purpose of the study is to attain insight and deep understanding of how a company can achieve long term sustainability. The study aims to provide an integrated framework for longevity in companies. In order to pursue this research question, certain Japanese companies called Shinises are researched. A Shinise company is defined as a company that has survived for more than 100 years preserving the main occupation and not selling the ownership of the company to outsider of the organization members. There are more than 50,000 companies with more than 100 years of history and more than 3,000 companies with more than 200 years of history in Japan. The company with the longest life has 1400 years of history.

In order to find the secret for longevity in such Shinise companies, the study is conducted in three steps. Firstly, corporate culture approach is taken to examine the possibility of longevity in companies. Secondly, previous research works on Shinise companies are categorized and a synthesis is drawn. Finally, a qualitative case study is conducted. A company called Funabashiya, which has 205 years of history, is chosen as the case. The researcher worked for the company for 3 months collecting ethnographic data. The findings attained are presented in a narrative way.

The findings suggest that the underlying assumptions, values and company mottos are inherited without changing throughout each generation in the company and that the whole purpose of the company should be regarded as a public institution where the goal is to contribute to the society. Moreover, it was found that the role of the president in deciding the company's longevity is very strong. If the employees are loved by the president, the employees are able to live for the sake of the stakeholders. When the company lives for the public, does not lie or deceive, is honest, never gives up and so on, it becomes trusted by the customers and eventually, by the local community. When this trust relationship with the local community is formed and maintained, longevity can be achieved. Furthermore, the findings exhibit that the integrated coexistence of innovation and tradition, making products from the customer view point, keeping family succession, living for the sake of the local community lead the company to achieve longevity to a large extent. Particularly, the relationship with the local community is influencing very strongly the whole longevity of a company.

The findings of the thesis have not only the potential to help any companies to achieve long term sustainability, but if the companies follow the directions of the study, this might help to overcome some of the problems, such as massive unemployment, principle-agent problem and financial crisis that today's capital economy has.

Key words	Corporate culture, Japan, Long term sustainability, Shinise company, Value
Further information	